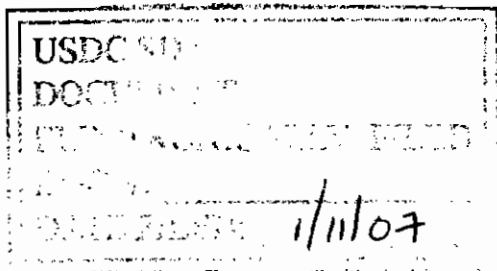


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MEMO ENDORSED

July 9, 2007

VIA FEDERAL EXPRESS

Honorable Denise L. Cote
United States District Court
Southern District of New York
500 Pearl Street, Room 1040
New York, New York 10007

Re: Doreen Benson v. Lehman Brothers Inc.
SDNY No. 04 Civ. 7323 (DLC)

Dear Judge Cote:

We represent defendant Lehman Brothers Inc. ("Lehman") in the above-captioned action. Pursuant to Your Honor's request, Lehman provided a status report concerning the arbitration between plaintiff and Lehman pending before the NASD by letter dated December 15, 2006. Your Honor ordered a further status report of this dispute by July 15, 2007.

As described in Lehman's December 15 letter, shortly before the scheduled commencement of the hearing (it had been scheduled to occur in December 2006), plaintiff retained new counsel (The Ottinger Firm, P.C.), and the arbitration panel adjourned the hearing dates. The principal issues in the arbitration subsequent to Lehman's December 15 letter concern (i) The Ottinger Firm's efforts to obtain documents it claims are missing from the files provided to it by plaintiff and (ii) plaintiff's attempt to comply with outstanding document and information requests propounded by Lehman.

On June 1, 2007, The Ottinger Firm wrote to the arbitration panel requesting its withdrawal as counsel for the plaintiff. On June 4, 2007, The Ottinger Firm wrote to the arbitration panel to amend its June 1 letter and advise the panel that the firm had withdrawn as plaintiff's counsel as of June 4. Lehman did not object to The Ottinger Firm's request to withdraw as plaintiff's counsel. We have not heard from the arbitration panel regarding The Ottinger Firm's withdrawal as plaintiff's counsel. Nor have we heard from plaintiff as to whether she intends to retain new counsel or act *pro se* for the remainder of this dispute.¹

¹ Plaintiff has had numerous counsel during her dispute with Lehman and also acted *pro se* for approximately four months during 2006.

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In light of the foregoing issues, no new hearing dates for the arbitration have been set yet.

Thank you for your consideration.

Respectfully yours, .



Steven M. Knecht

cc: Robert W. Ottinger, Esq. (by federal express)
Ms. Doreen Benson (by federal express)
Kevin B. Leblang, Esq.

*Stefan letter is due
January 15, 2008.*

*Denise Cote
July 11, 2007*